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July 19, 2004

**EX PARTE**

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

**RE: Section 251 Unbundling Obligations for Incumbent Local Exchange Carriers, CC Docket No. 01-338; Implementation of Local Competition Provision of the Telecommunications Act of 1996, CC Docket No. 96-98; Deployment of Wireline Services Offering Advanced Telecommunications Capability, CC Docket No. 98-147**

Dear Ms. Dortch:

On July 16, 2004, Susanne Guyer and Michael Glover of Verizon met with Commissioner Kevin Martin and Daniel Gonzalez, Senior Legal Advisor, to discuss Verizon's June 24, 2004 ex parte filed in the above proceedings. The attached documents were also discussed during the meeting. All positions presented by Verizon were consistent with those filed in the record.

Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Susanne Guyer". The signature is fluid and cursive, with the first name "Susanne" and last name "Guyer" clearly legible.

Attachment

cc: Commissioner Martin  
Daniel Gonzalez

## **I. Cable Company Deployment of Voice Services Has Ballooned Since the TRO.**

- Cable companies already offer circuit-switched voice telephony to 15 percent of homes nationwide.
- Cable companies already offer VoIP to millions of homes and plan to extend VoIP to more than 24 million homes this year and at least 20 million more in 2005.
- In Verizon's service areas, companies now offer service to more than 12 million homes and are rolling it out to millions more.
  - *Cablevision* now offers VoIP to the 4 million homes it passes in the New York metropolitan area and in New Jersey.
  - *Time Warner* will deploy VoIP to "essentially all" of the 8 million homes it passes in Verizon's service territory in 2004.
  - *Comcast* now offers circuit-switched service to 6 million homes in Verizon's service territory; it plans to also offer VoIP to half the homes it passes this year and to the rest next year; it passes approximately 15 million homes in Verizon's service areas.
  - *Cox* already offers circuit switched voice service to approximately 1.7 million homes in Verizon's service areas; it offers VoIP in Roanoke, Virginia and plans to offer VoIP in additional markets this year.

## **II. VoIP is Widely Available to Anyone Who Has Access to Broadband Service**

- VoIP is available from or being deployed by a wide range of companies, including major long distance companies, national VoIP providers such as Vonage, and other national or regional providers.
  - AT&T recently expanded its consumer VoIP offering to a total of 72 markets, plans to expand to 100 metropolitan markets by the end of this year, and plans to have at least one million customers by 2005.
- VoIP is available to any customer who has access to broadband, such as the 85-90 percent of U.S. homes that have access to cable modem service (or 92 percent in Verizon's 25 top MSA's).
- VoIP offerings are very competitive and are typically priced 30-40 percent or more below comparable circuit-switched offerings.
- Even for customers who currently use dial up access, a broadband connection with VoIP is very competitive with what customers pay for a narrowband bundle of local, long distance and dial up internet access.

### **III. Wireless carriers are aggressively competing both for lines and for traffic.**

- Since the time of the TRO Order, wireless carriers are competing to an increasing degree to replace wireline access lines and calls.
- The number of wireless lines has grown from 137 million to 155 million while the number of wireline lines has declined.
- The percentage of users giving up their landline phones has grown from 3-5 percent to 7-8 percent.
- Wireless traffic has grown from 16 to 29 percent of all voice traffic and to 43 percent of long distance traffic.
- Other sources of intermodal competition such as e-mail and instant messaging also now substitute for a large amount of traffic on switched wireline networks.

### **IV. Carriers are Continuing to Compete with Their Own Switches**

- Competing carriers have 10,000 circuit switches and packet switches nationwide.
- They have used these switches to provide voice telephone service in wire centers that contain 86 percent of Bell company access lines nationwide.
- In Verizon's 25 top MSAs, competitors are serving at least 2.1 million mass market lines using at least 133 of their own switches.
- In Verizon's top MSAs, competitors are using their own switches to serve lines in wire centers that contain 86% of Verizon's access lines.

# New York-Newark-Edison, NY-NJ-PA

Connecticut

Pennsylvania

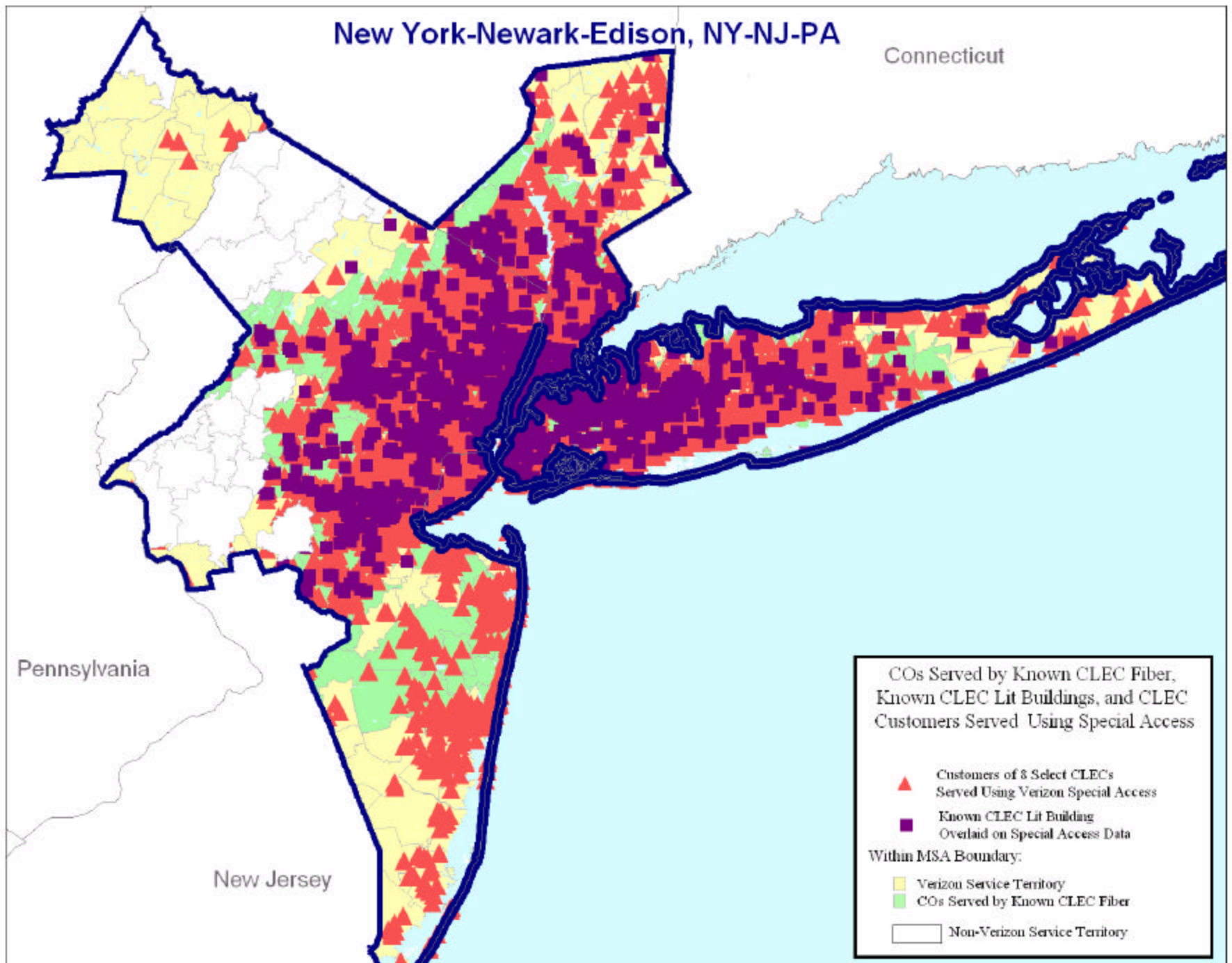
New Jersey

COs Served by Known CLEC Fiber,  
Known CLEC Lit Buildings, and CLEC  
Customers Served Using Special Access

- ▲ Customers of 8 Select CLECs  
Served Using Verizon Special Access
- Known CLEC Lit Building  
Overlaid on Special Access Data

Within MSA Boundary:

- Verizon Service Territory
- COs Served by Known CLEC Fiber
- Non-Verizon Service Territory





# New York-Newark-Edison, NY-NJ-PA

Connecticut

New York

Pennsylvania

New Jersey

## COs Served by Known CLEC Fiber

— Known CLEC Fiber Route

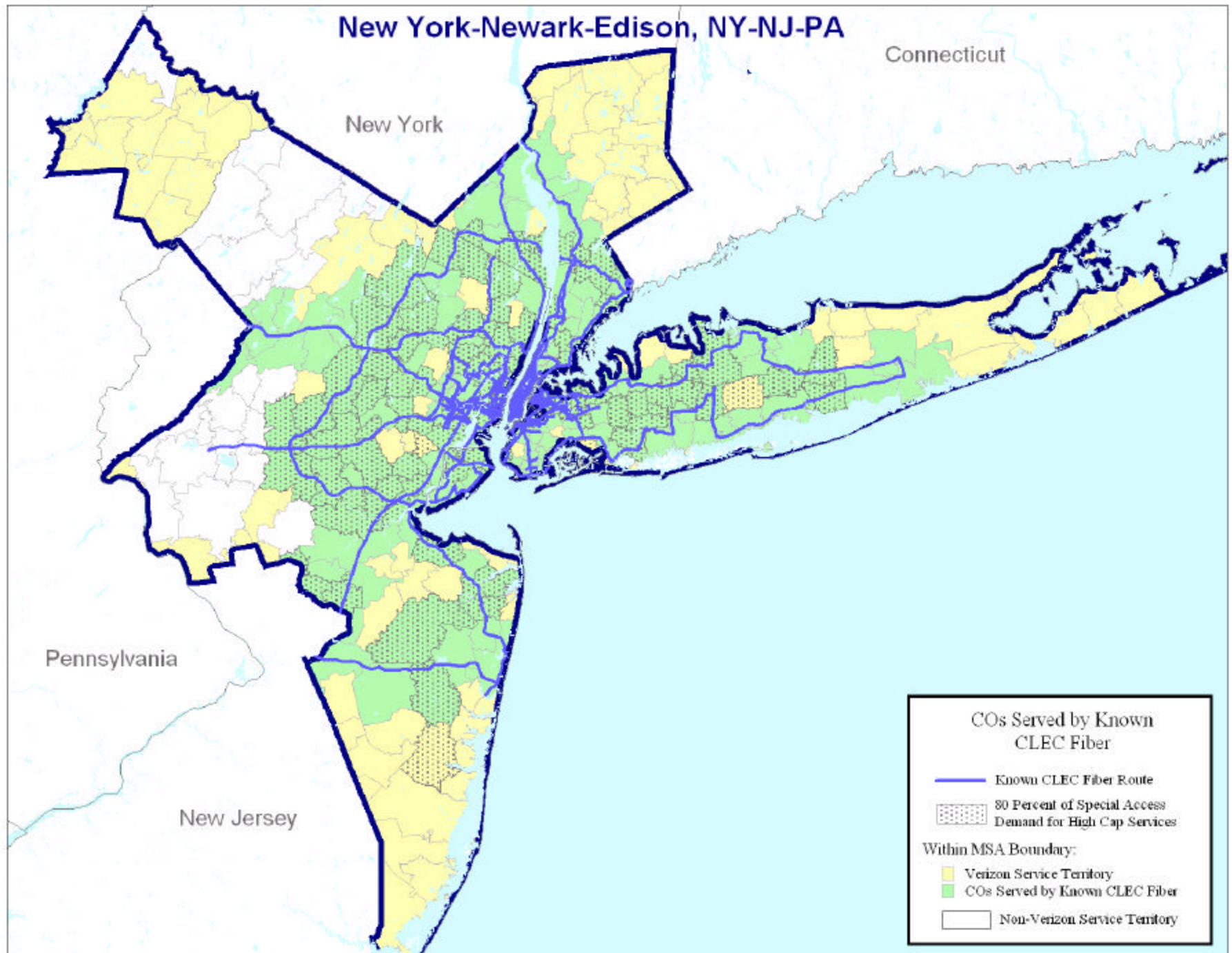
80 Percent of Special Access  
Demand for High Cap Services

Within MSA Boundary:

Verizon Service Territory

COs Served by Known CLEC Fiber

Non-Verizon Service Territory



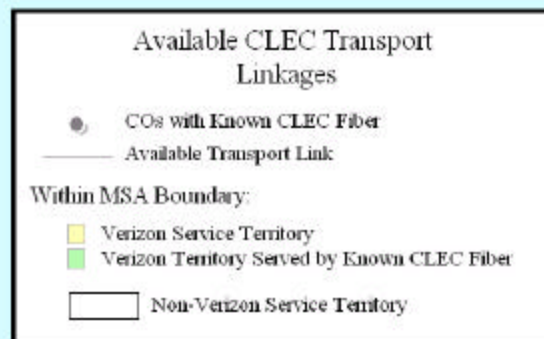
# New York-Newark-Edison, NY-NJ-PA

Connecticut

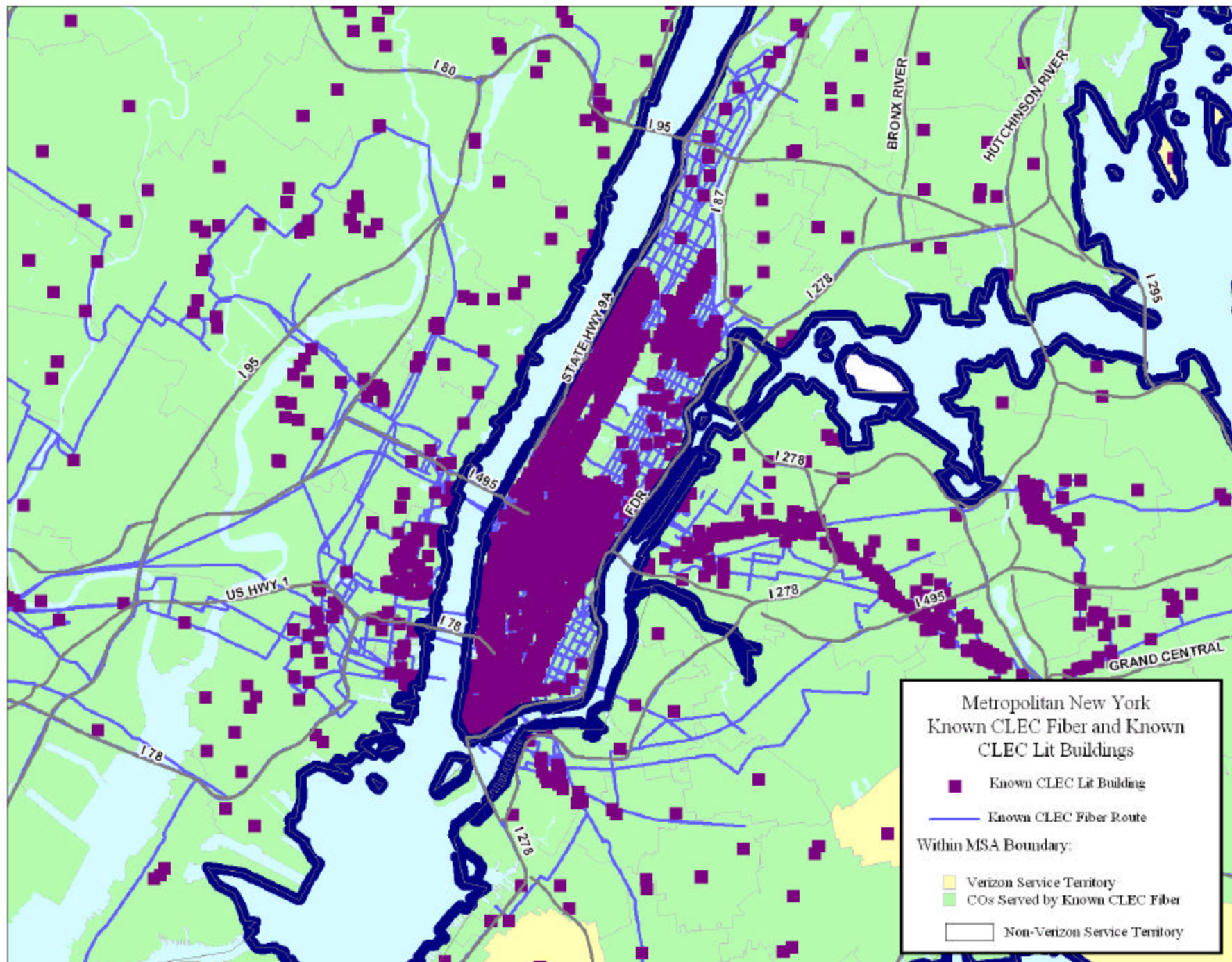
New York

Pennsylvania

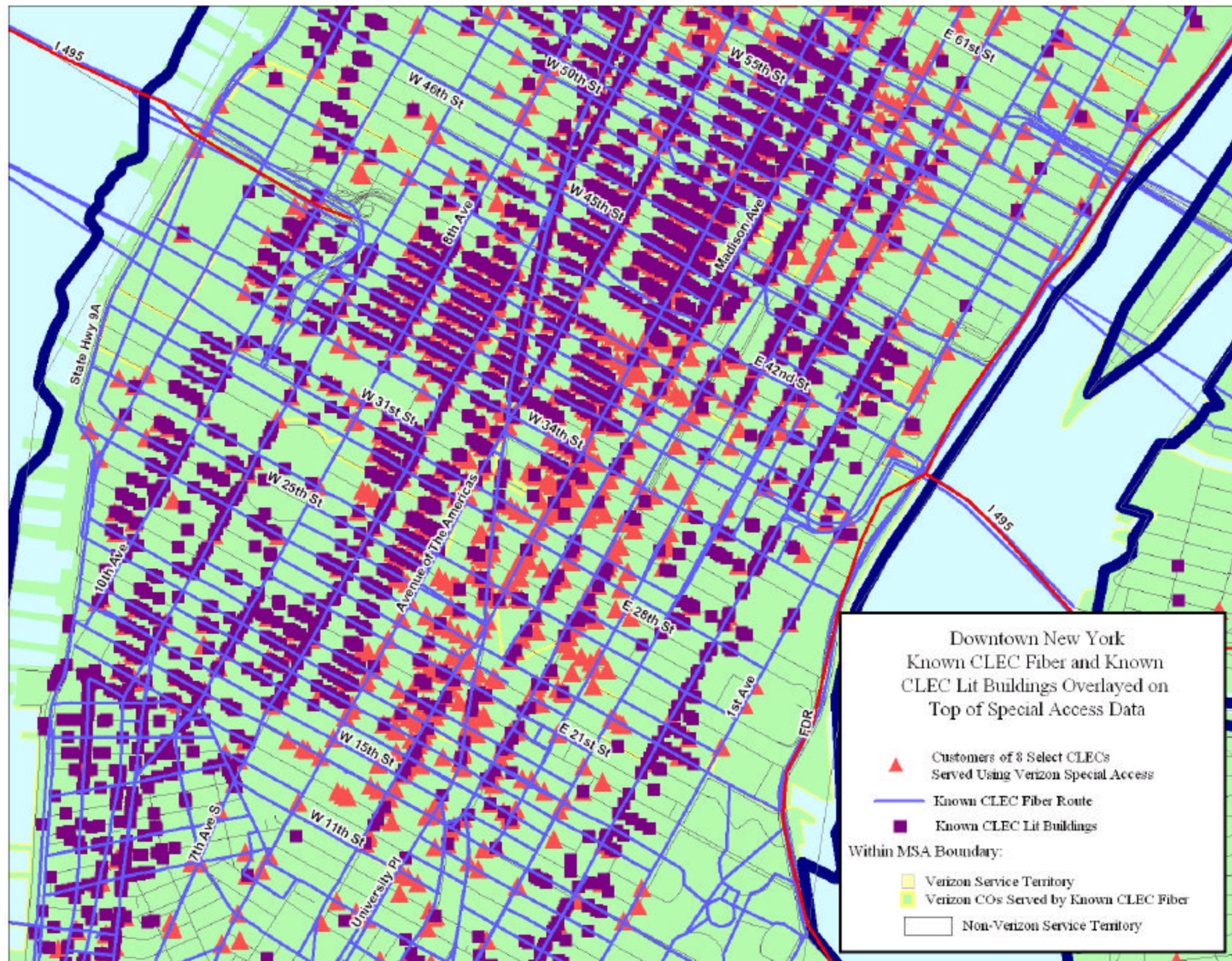
New Jersey



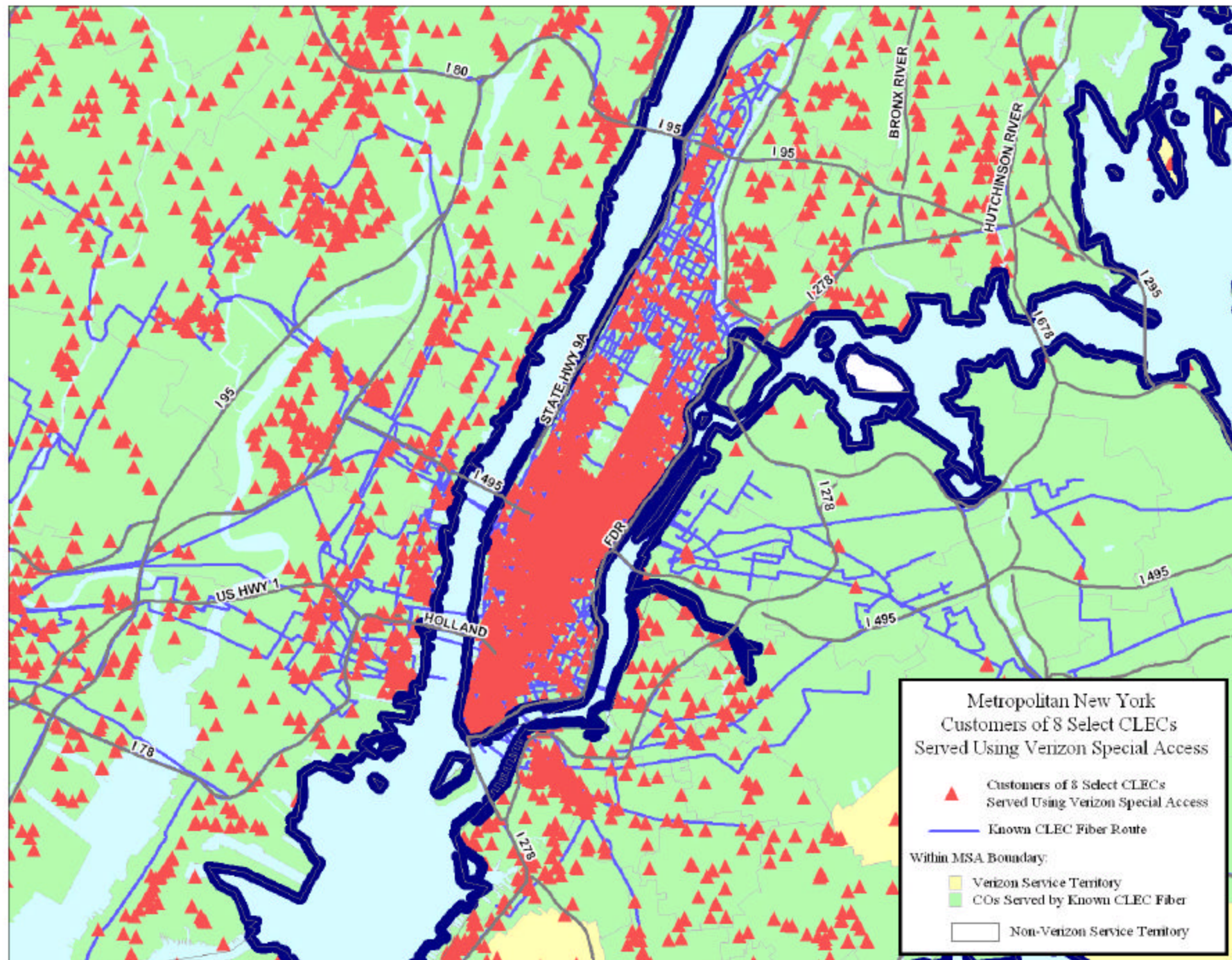






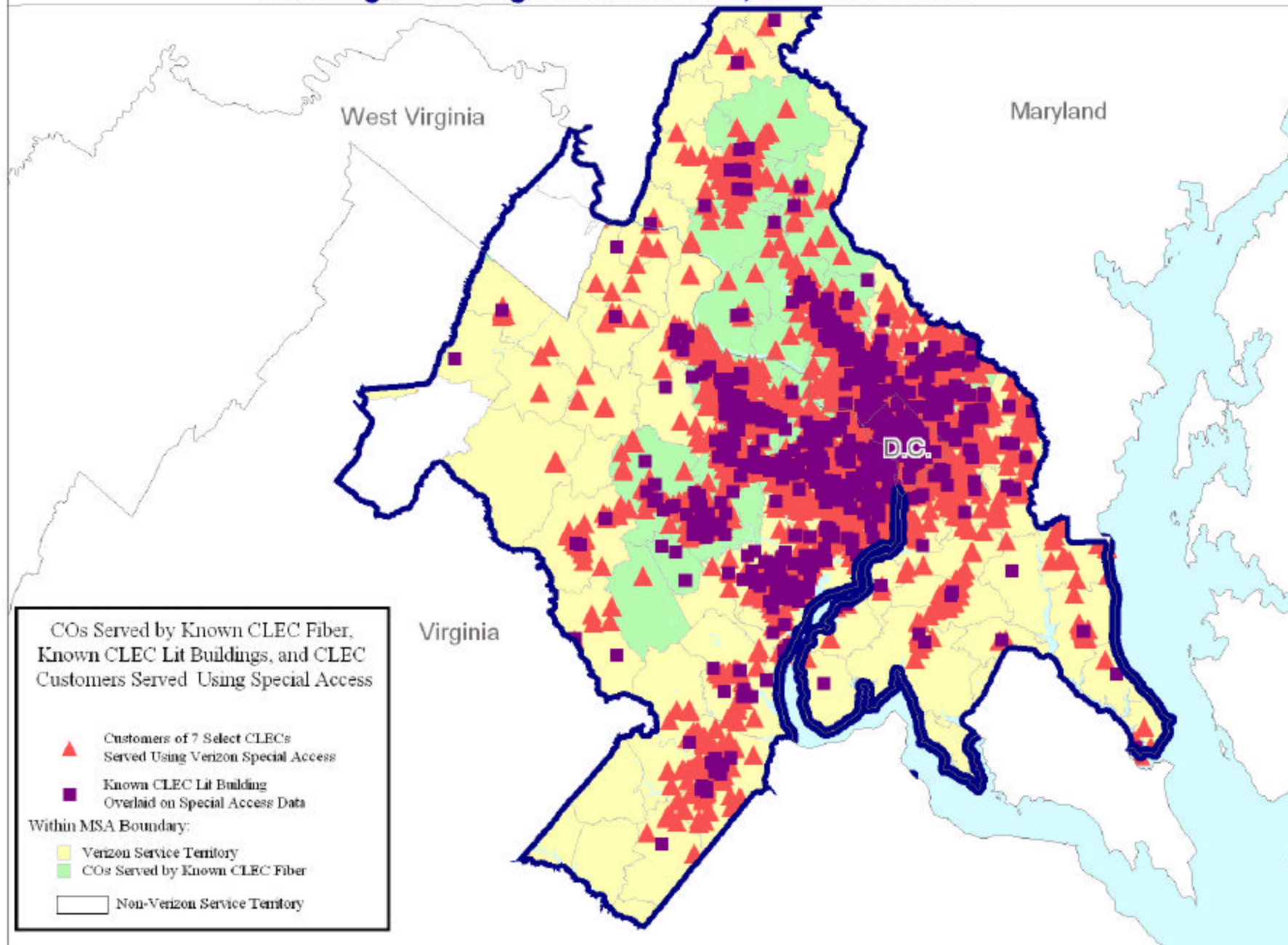




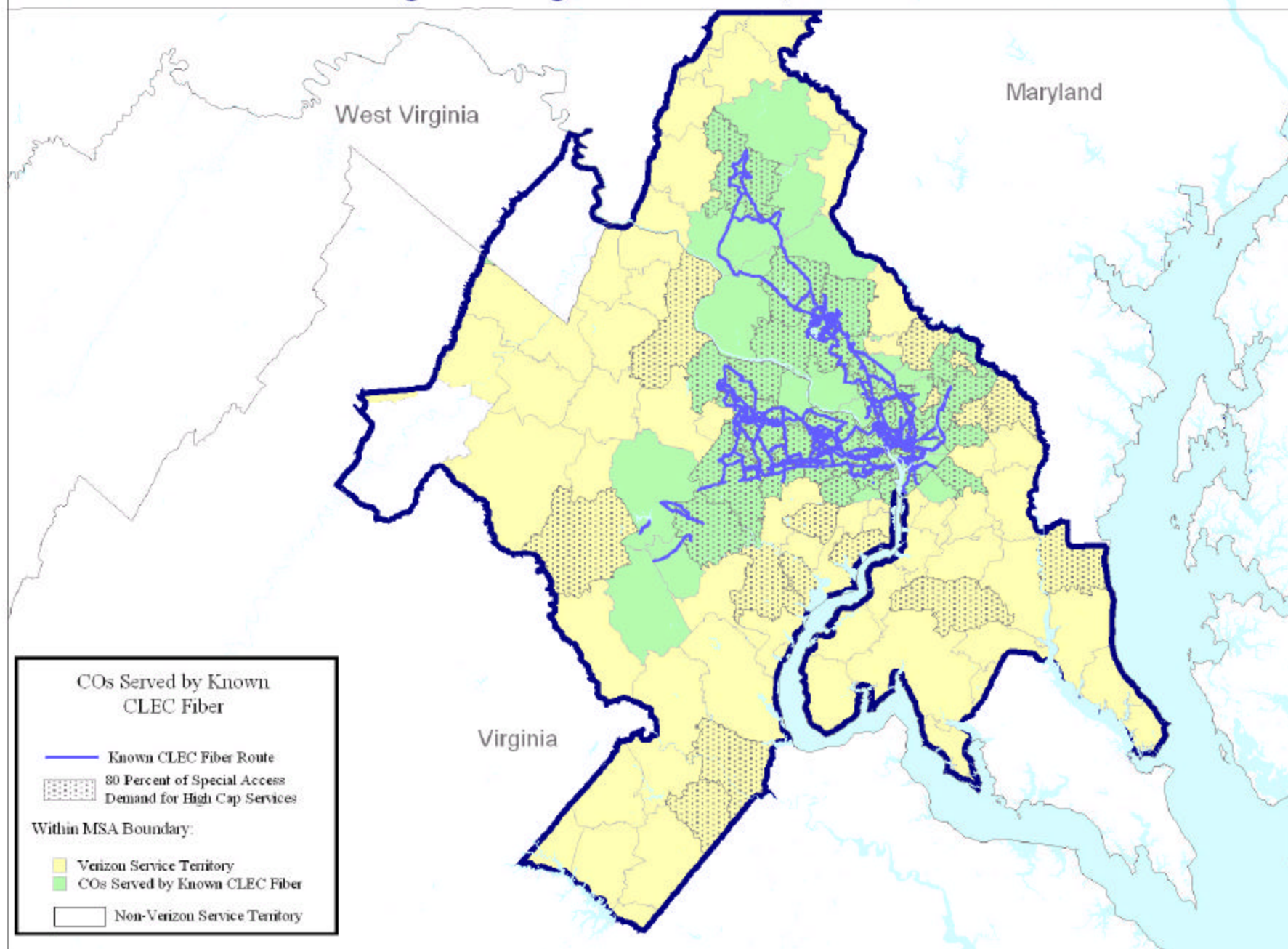




## Washington-Arlington-Alexandria, DC-VA-MD-WV

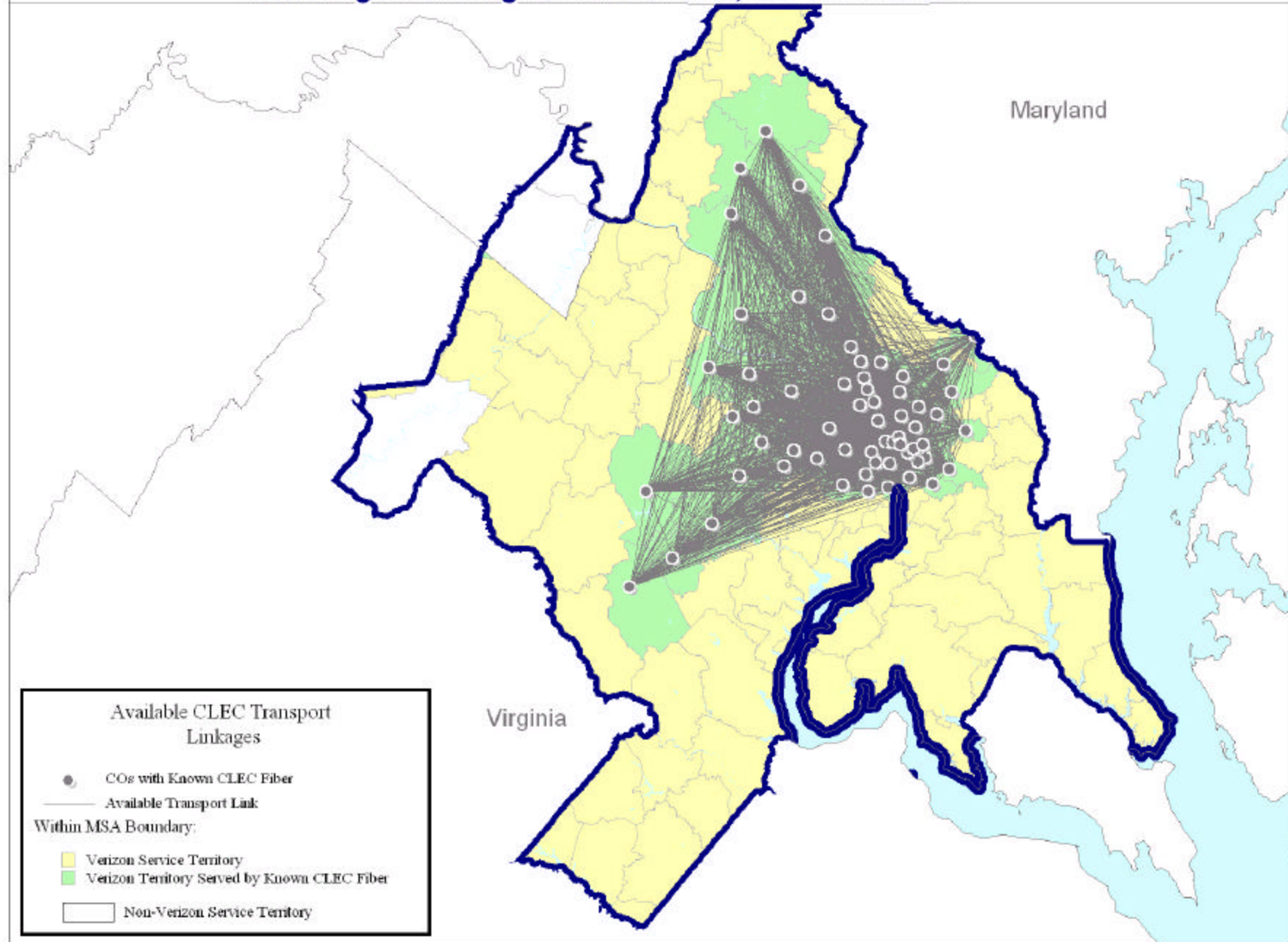


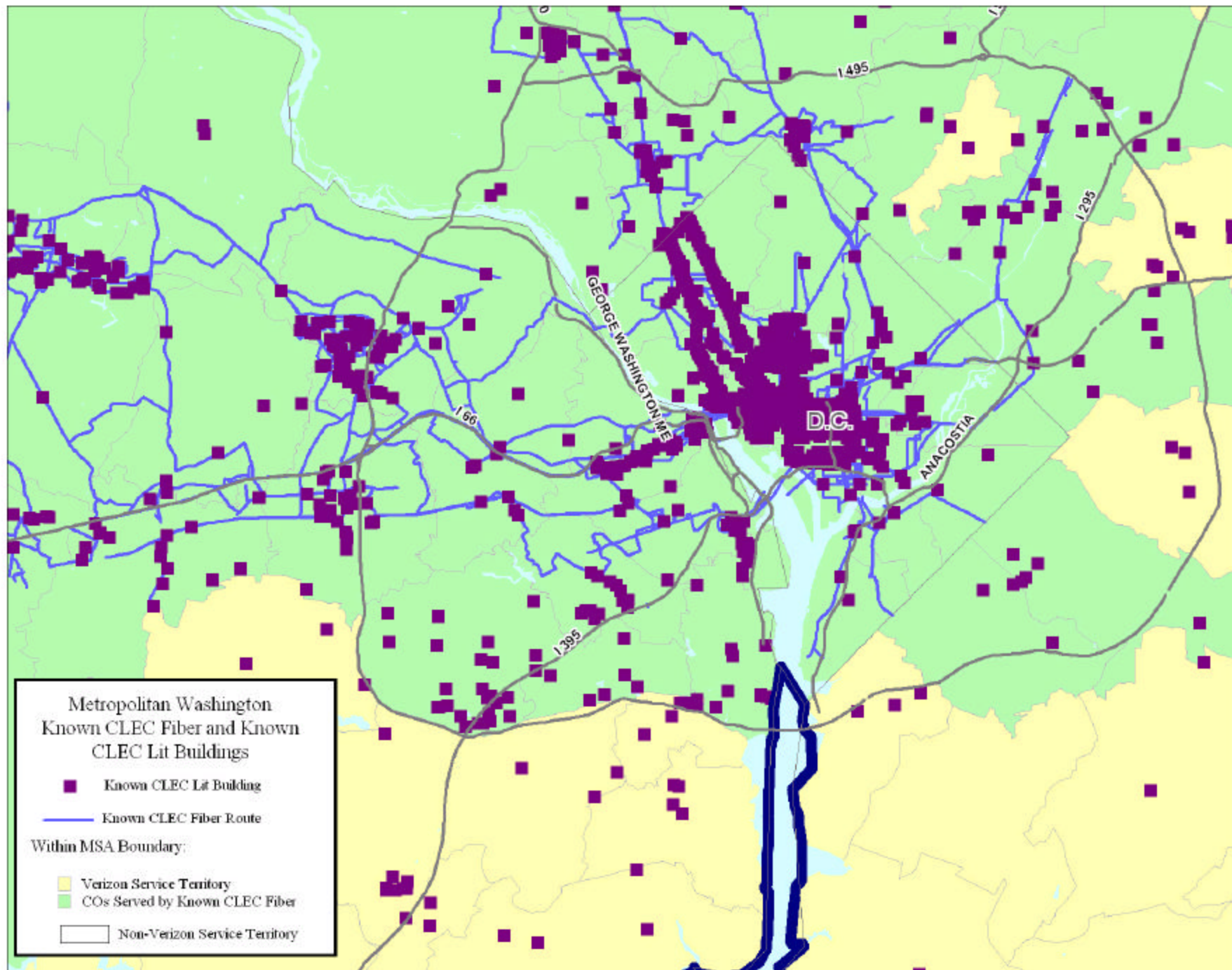
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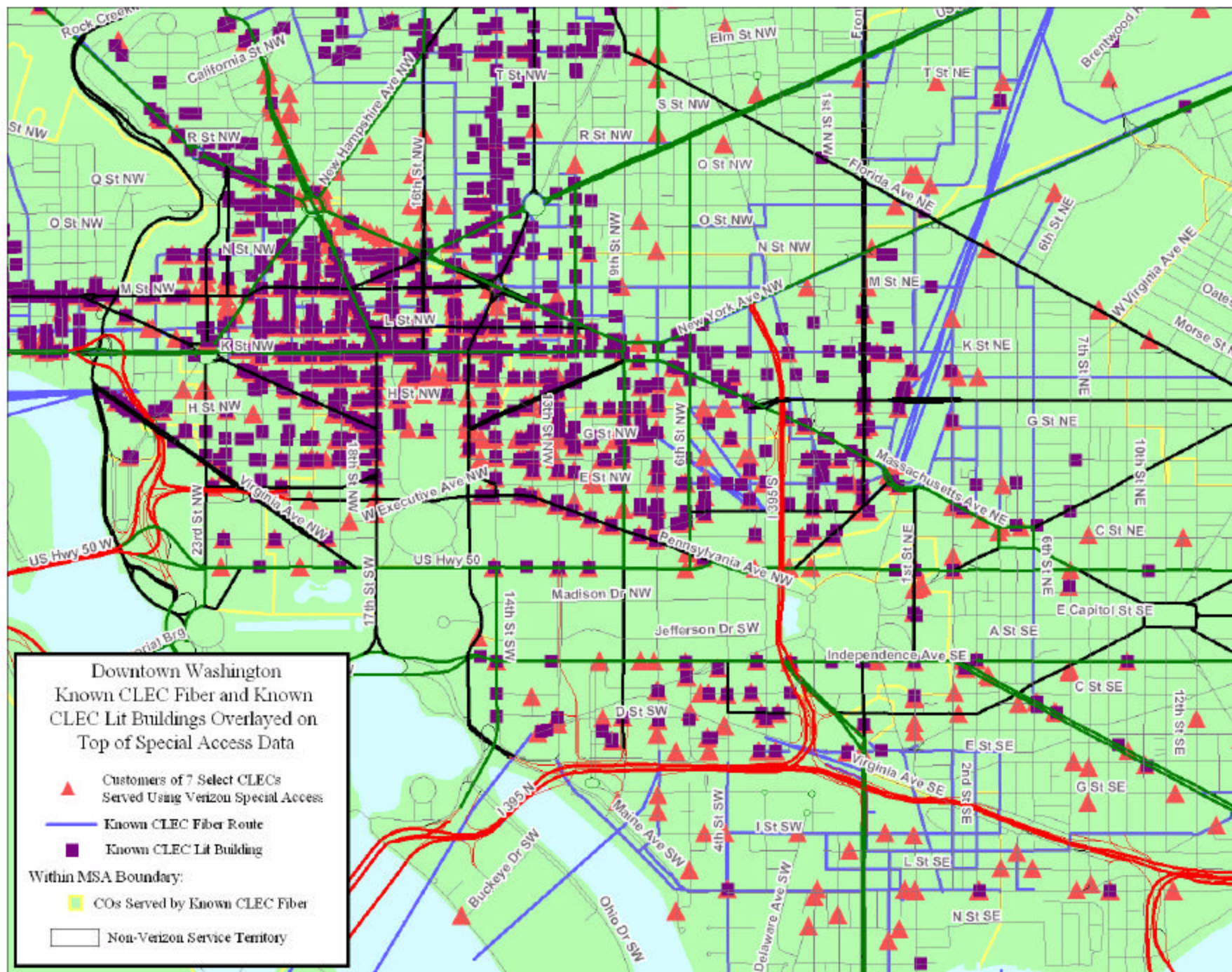


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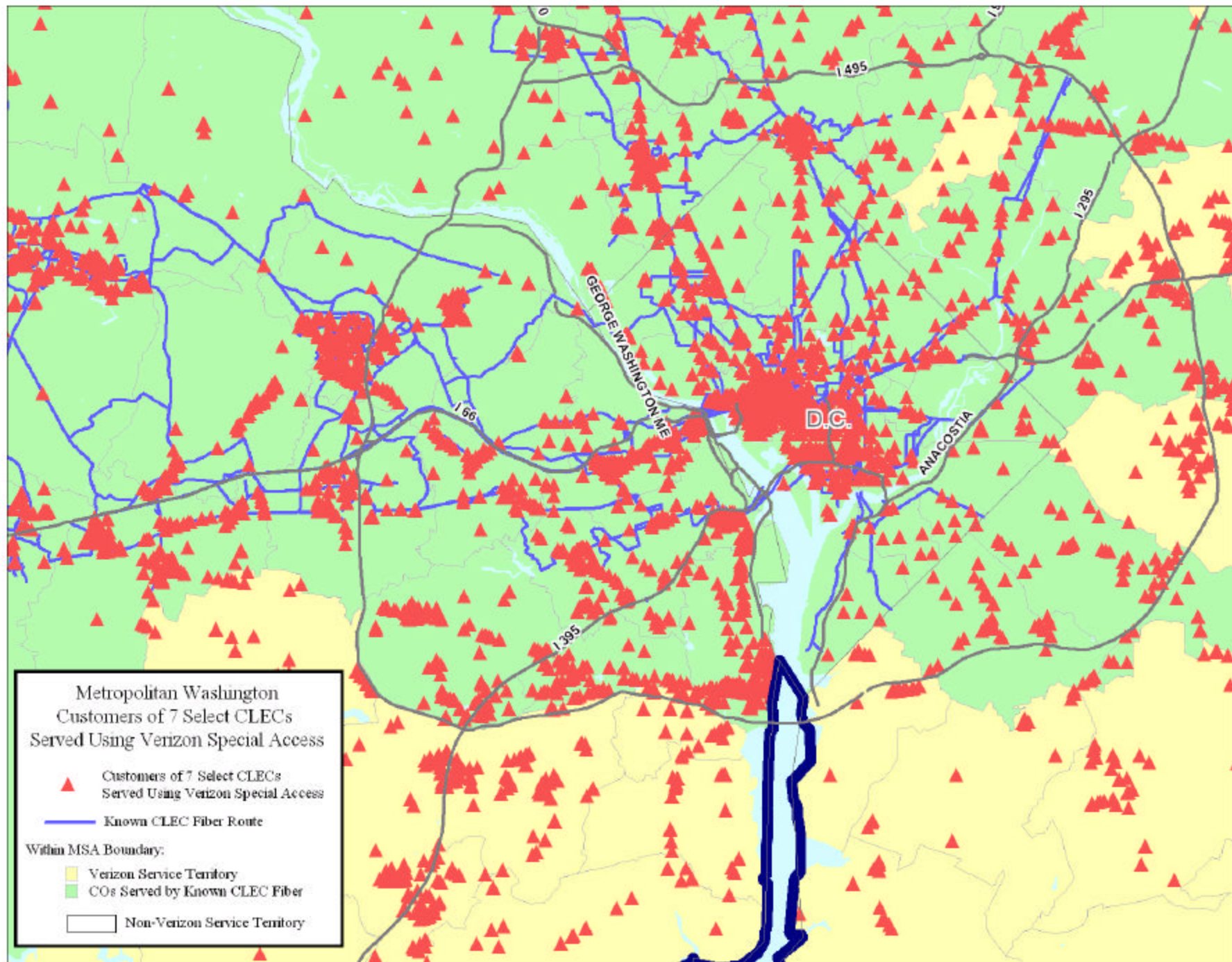




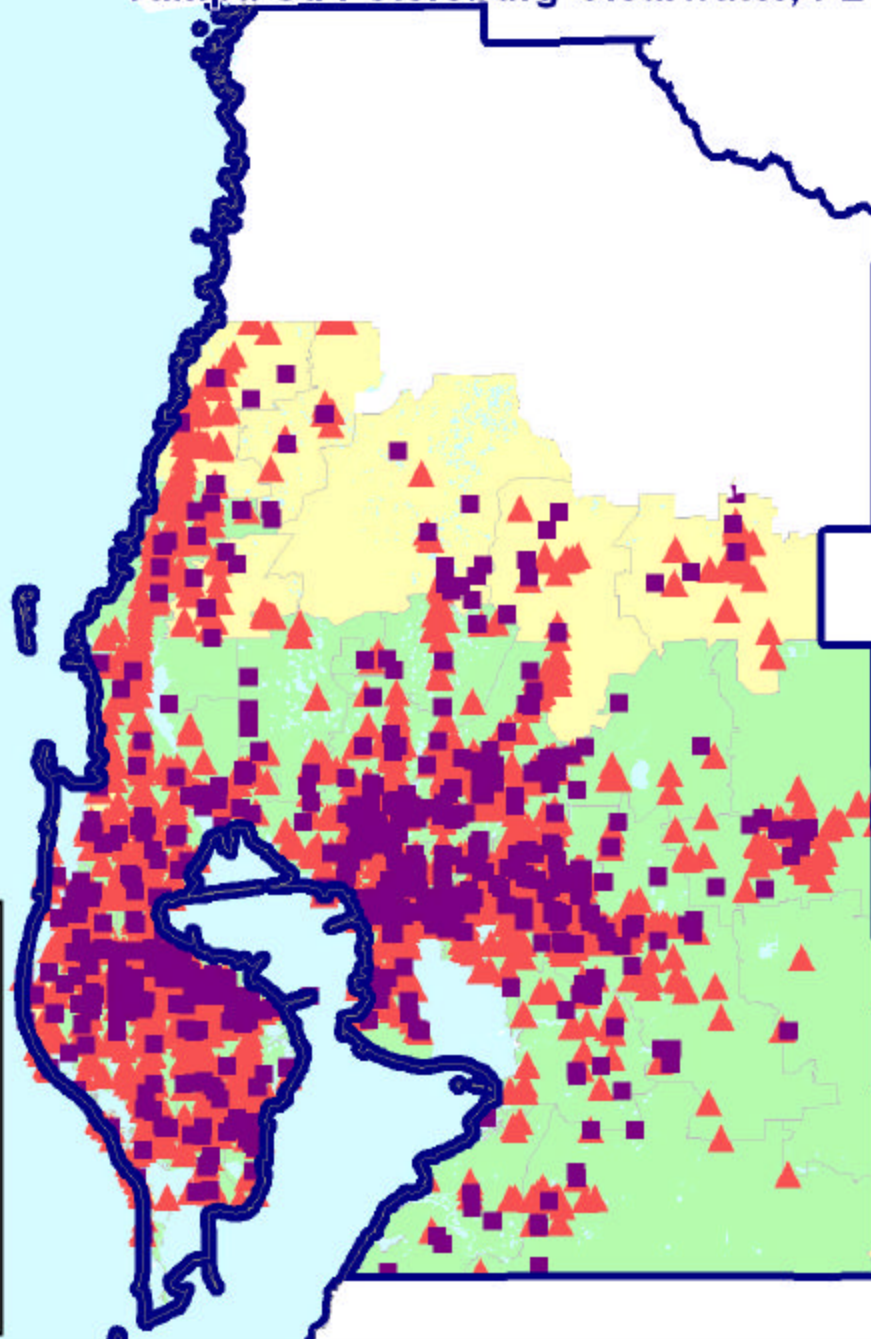








# Tampa-St. Petersburg-Clearwater, FL



COs Served by Known CLEC Fiber,  
Known CLEC Lit Buildings, and CLEC  
Customers Served Using Special Access

▲ Customers of 5 Select CLECs  
Served Using Verizon Special Access

■ Known CLEC Lit Building  
Overlaid on Special Access Data

Within MSA Boundary:

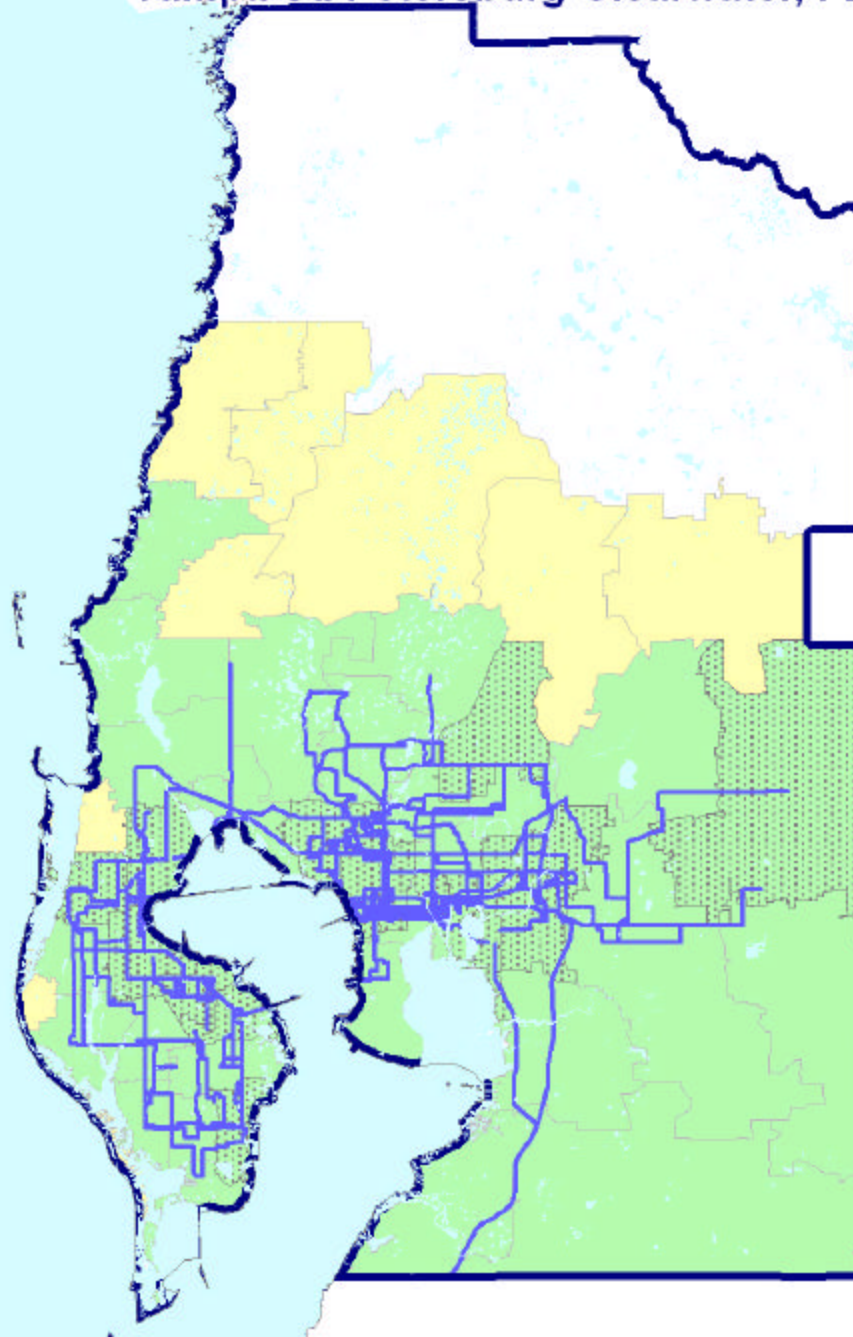
■ Verizon Service Territory

■ Verizon COs Served by Known CLEC Fiber

□ Non-Verizon Service Territory



# Tampa-St. Petersburg-Clearwater, FL



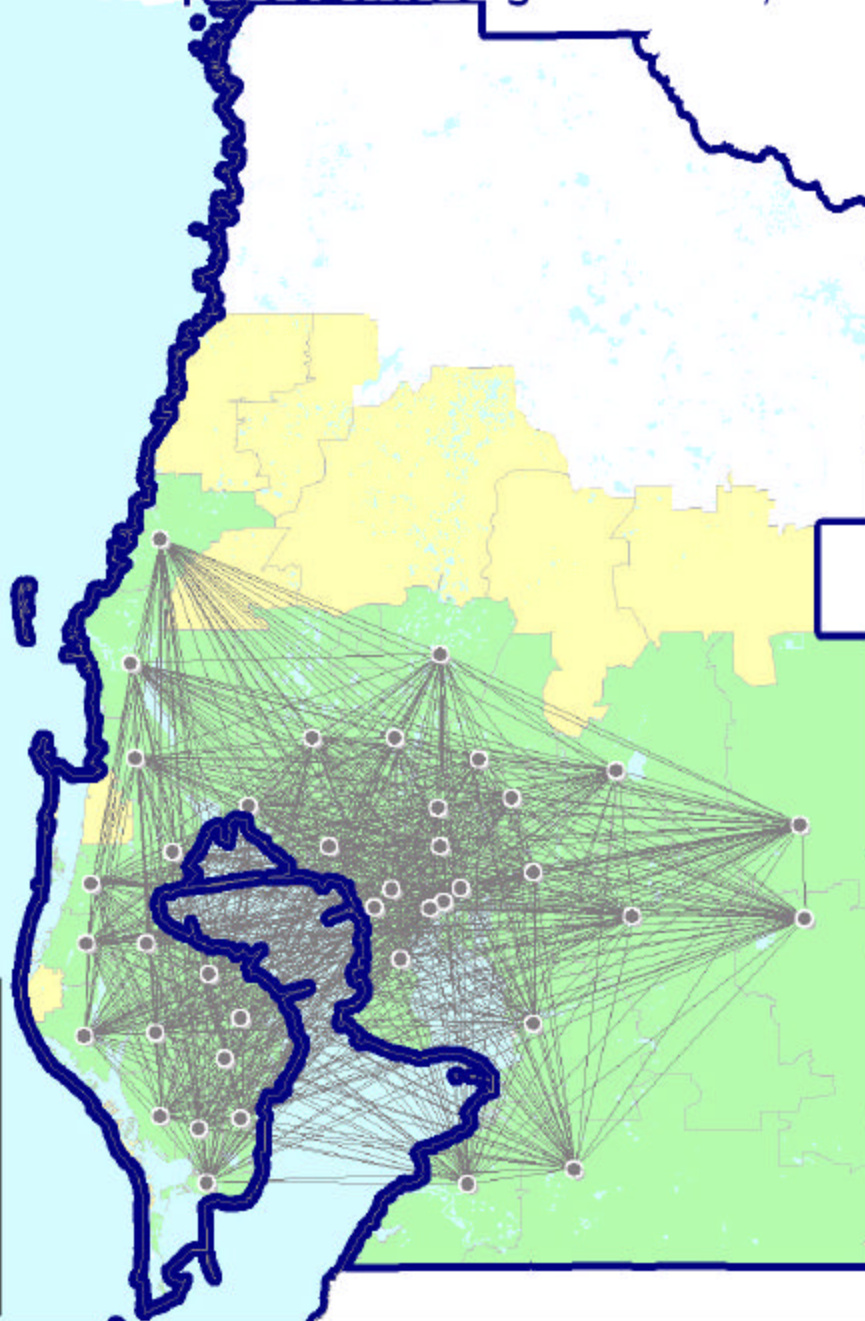
## COs Served by Known CLEC Fiber

- Known CLEC Fiber Route
- 80 Percent of Special Access Demand for High Cap Services

## Within MSA Boundary:

- Verizon Service Territory
- Verizon COs Served by Known CLEC Fiber
- Non-Verizon Service Territory

# Tampa-St. Petersburg-Clearwater, FL



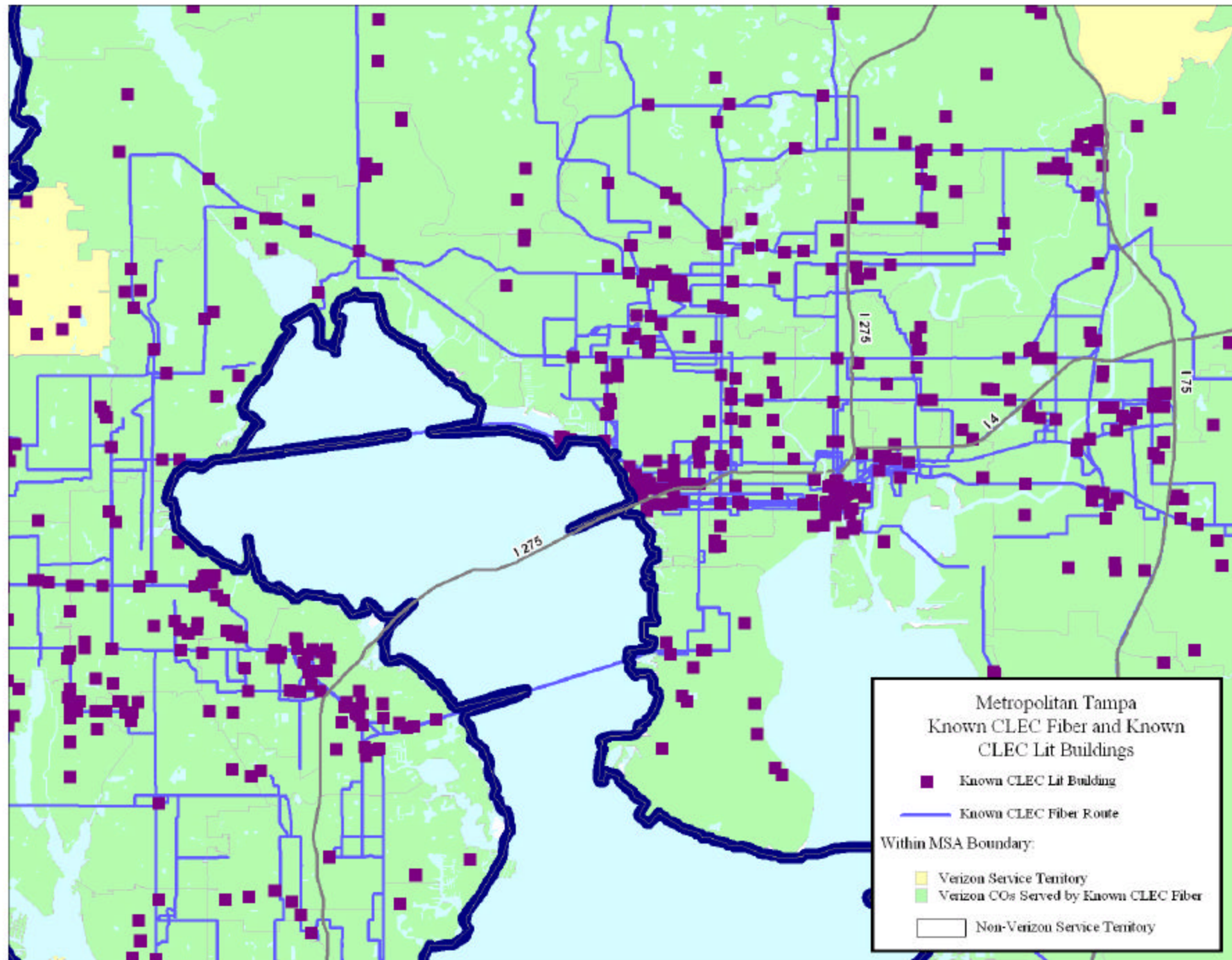
## Available CLEC Transport Linkages

- COs with Known CLEC Fiber
- Available Transport Link

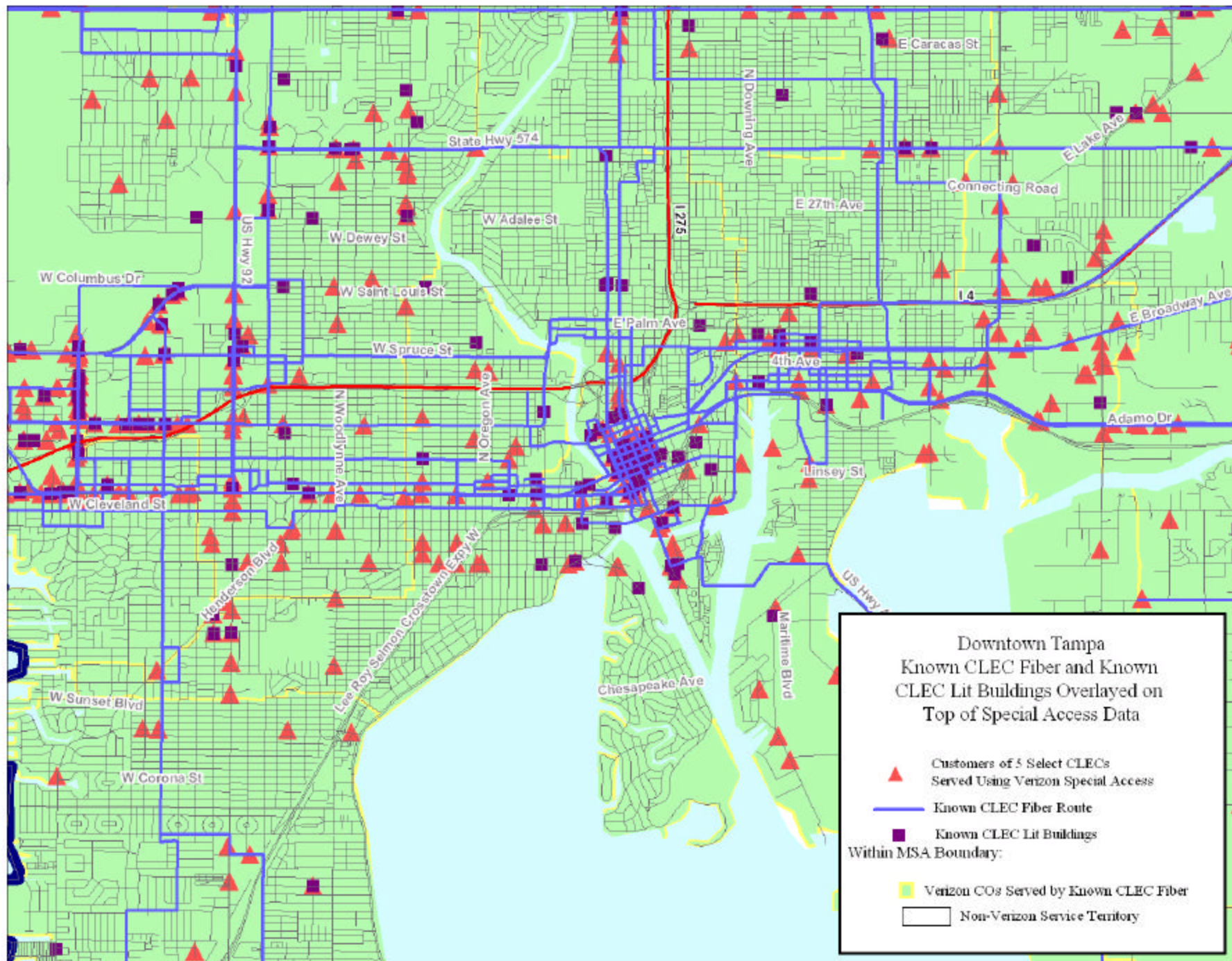
### Within MSA Boundary:

- Verizon Service Territory
- Verizon COs Served by Known CLEC Fiber
- Non-Verizon Service Territory

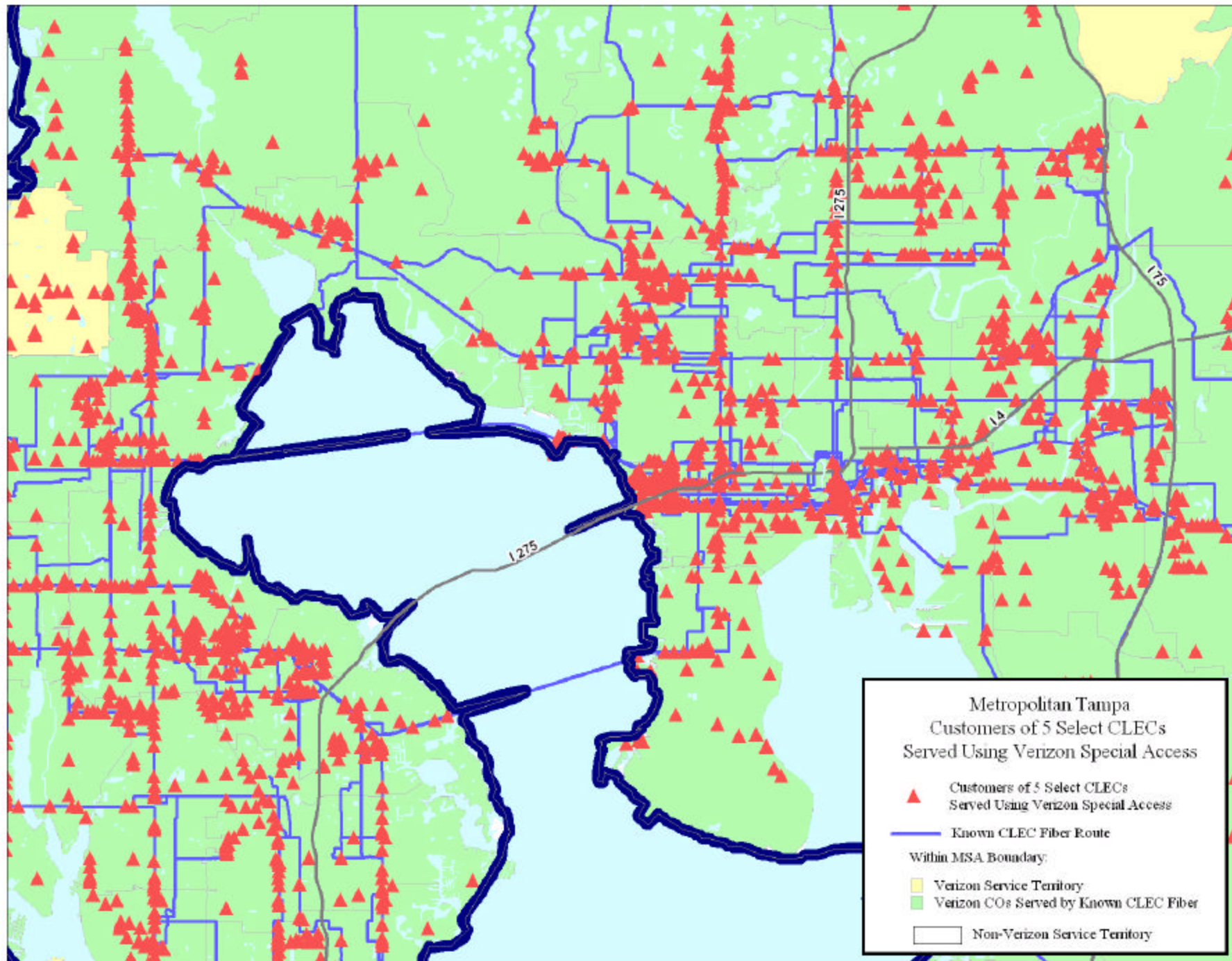












# New York-Newark-Edison, NY-NJ-PA

Connecticut





New York

Pennsylvania



New Jersey

## Cable Modem Service Availability

95-100% of the population within the MSA has access to cable modem service and VoIP service

-  Cablevision
-  Comcast Cable Communications Inc.
-  Time Warner Cable
-  Remaining Carriers

Within MSA Boundary:

-  Verizon Service Territory
-  Non-Verizon Service Territory



# New York-Newark-Edison, NY-NJ-PA

New York

Connecticut

Pennsylvania

New Jersey

## Wireless Coverage by Number of Carriers



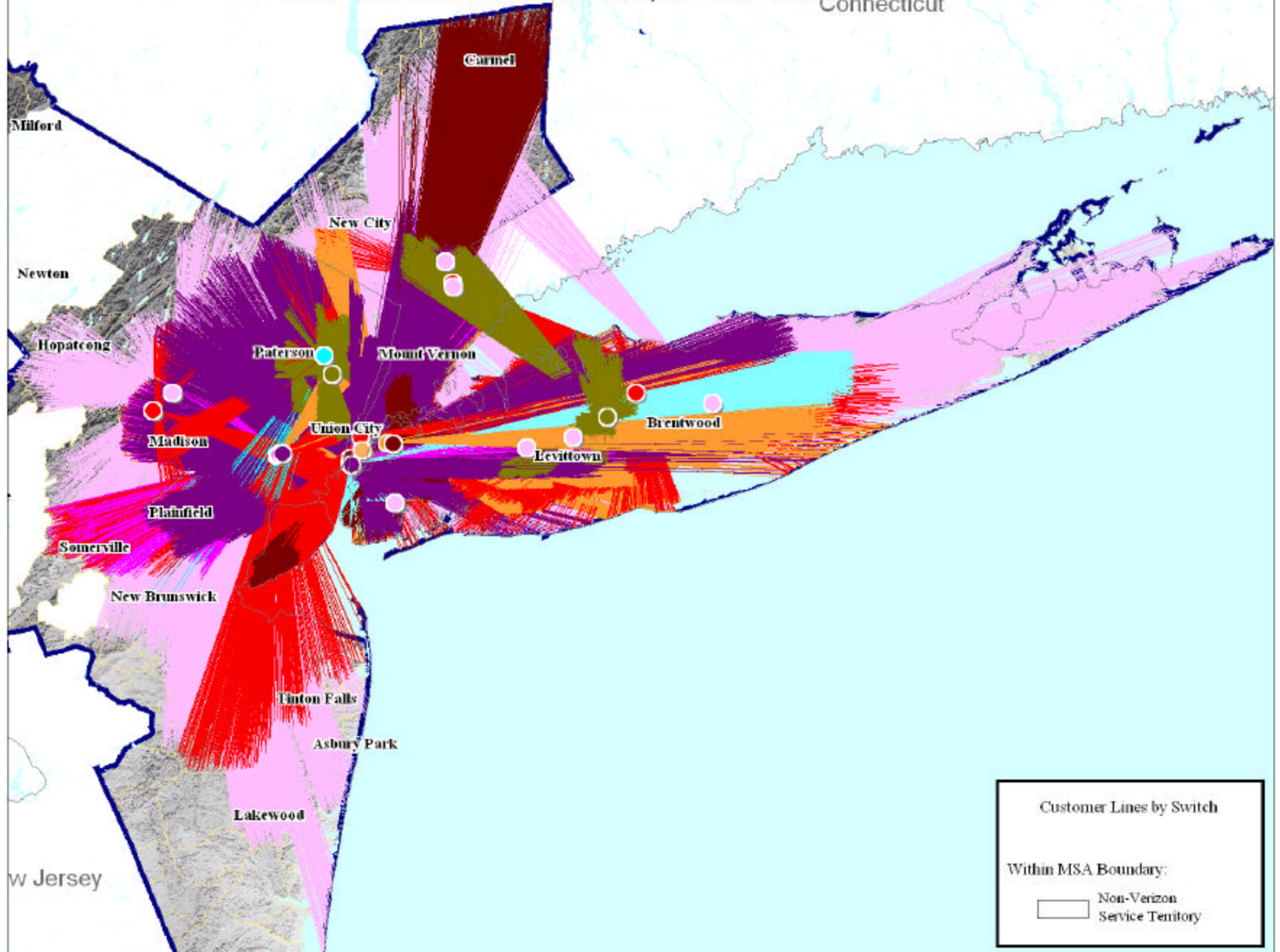
Within MSA boundary:

Non-Verizon  
Service Territory

Cingular and AT&T Wireless  
have been combined

# New York-Newark-Edison, NY-NJ-PA

Connecticut





# New York-Newark-Edison, NY-NJ-PA

Connecticut

New York

Pennsylvania

New Jersey

Coverage by Number of Competitive Carriers Determined by Switch Reach

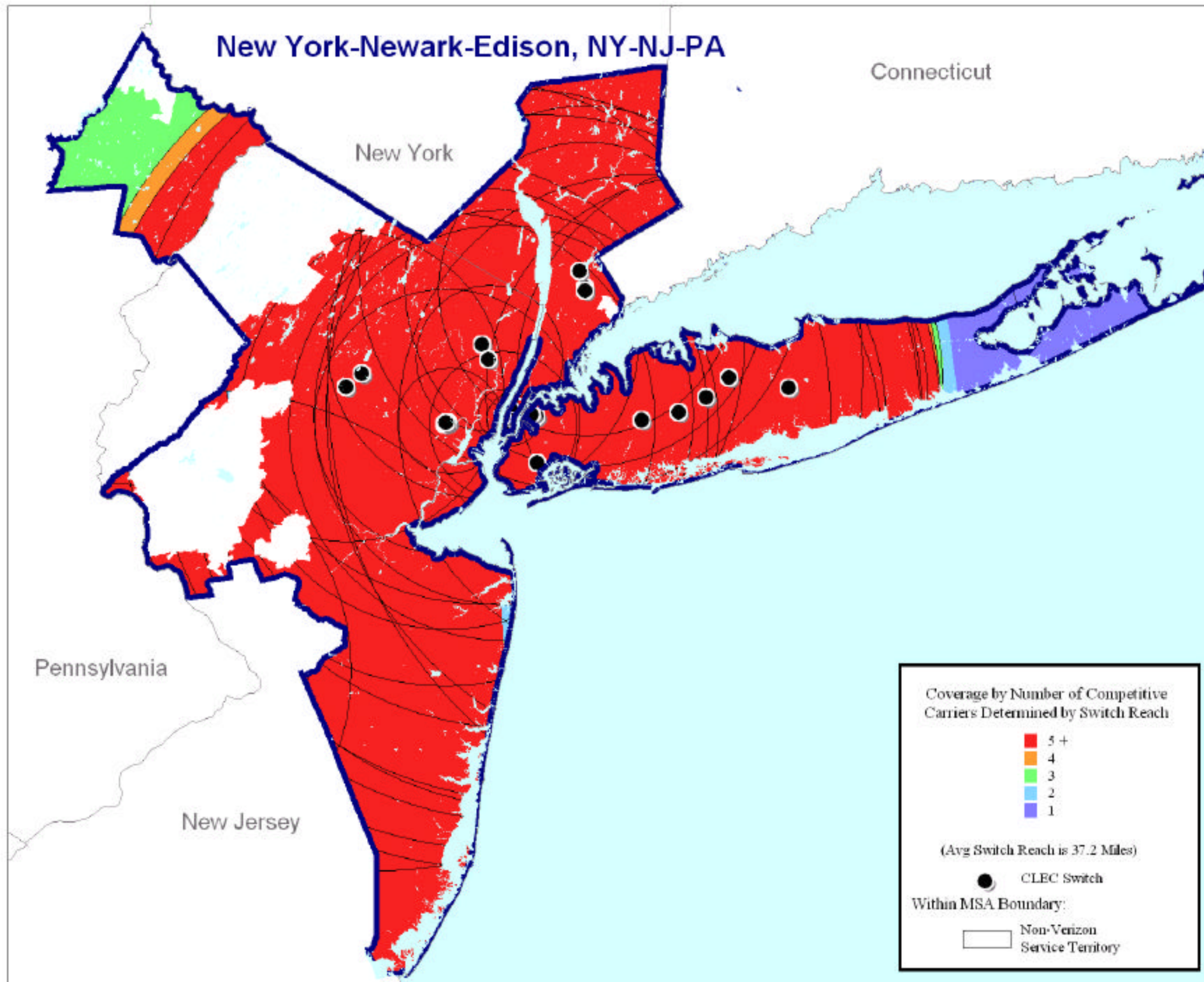


(Avg Switch Reach is 37.2 Miles)

● CLEC Switch

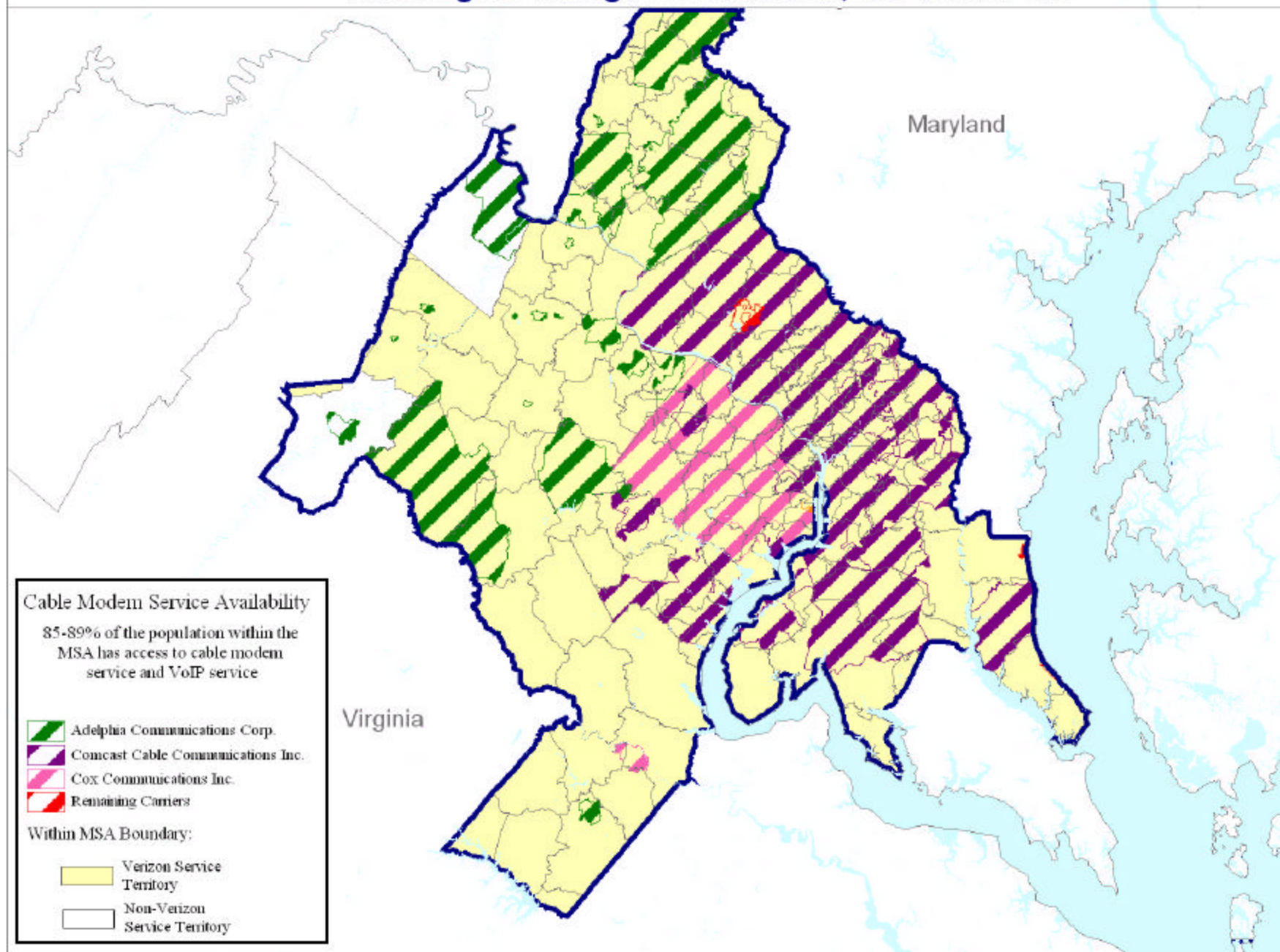
Within MSA Boundary:

□ Non-Verizon Service Territory

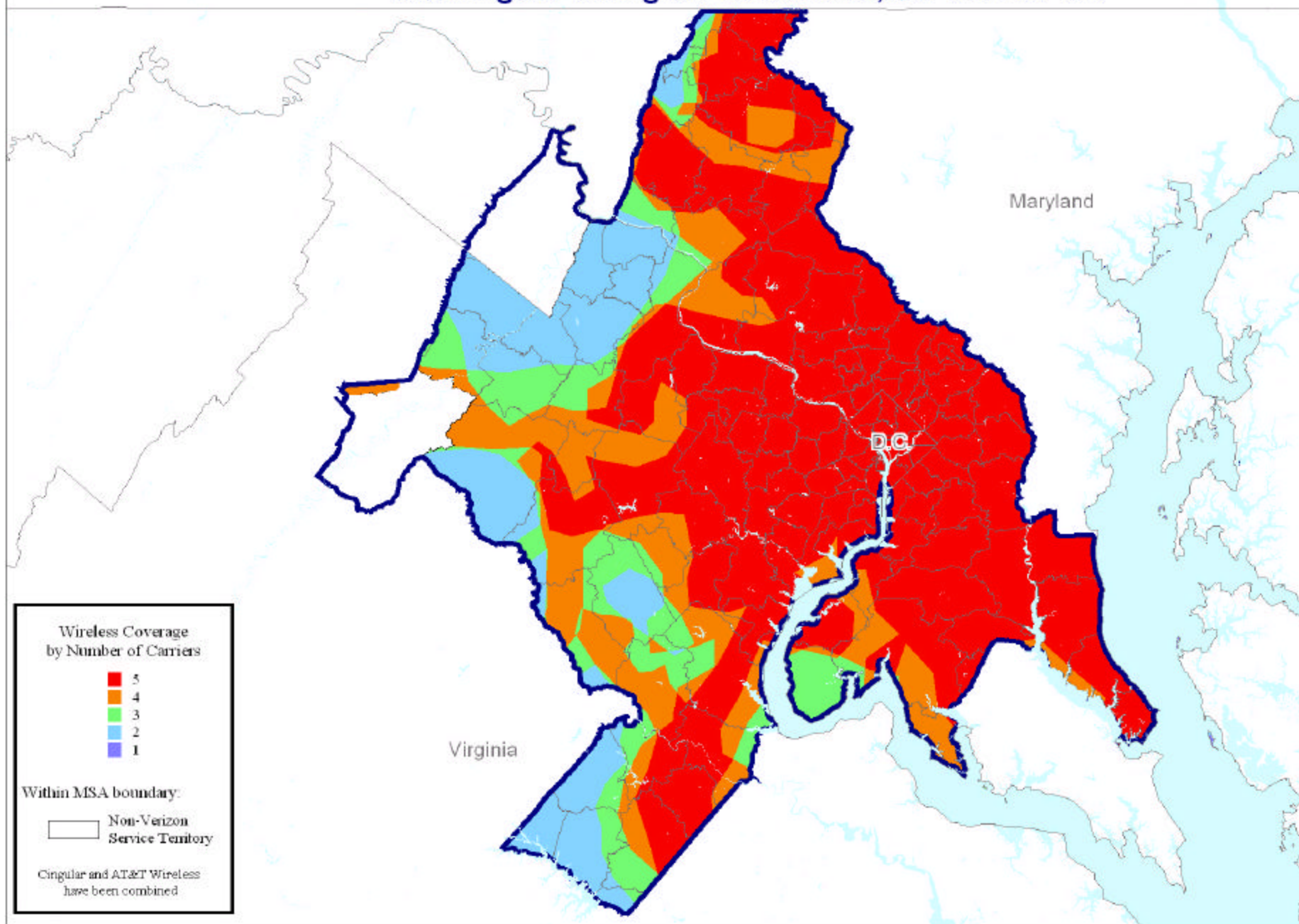




## Washington-Arlington-Alexandria, DC-VA-MD-WV



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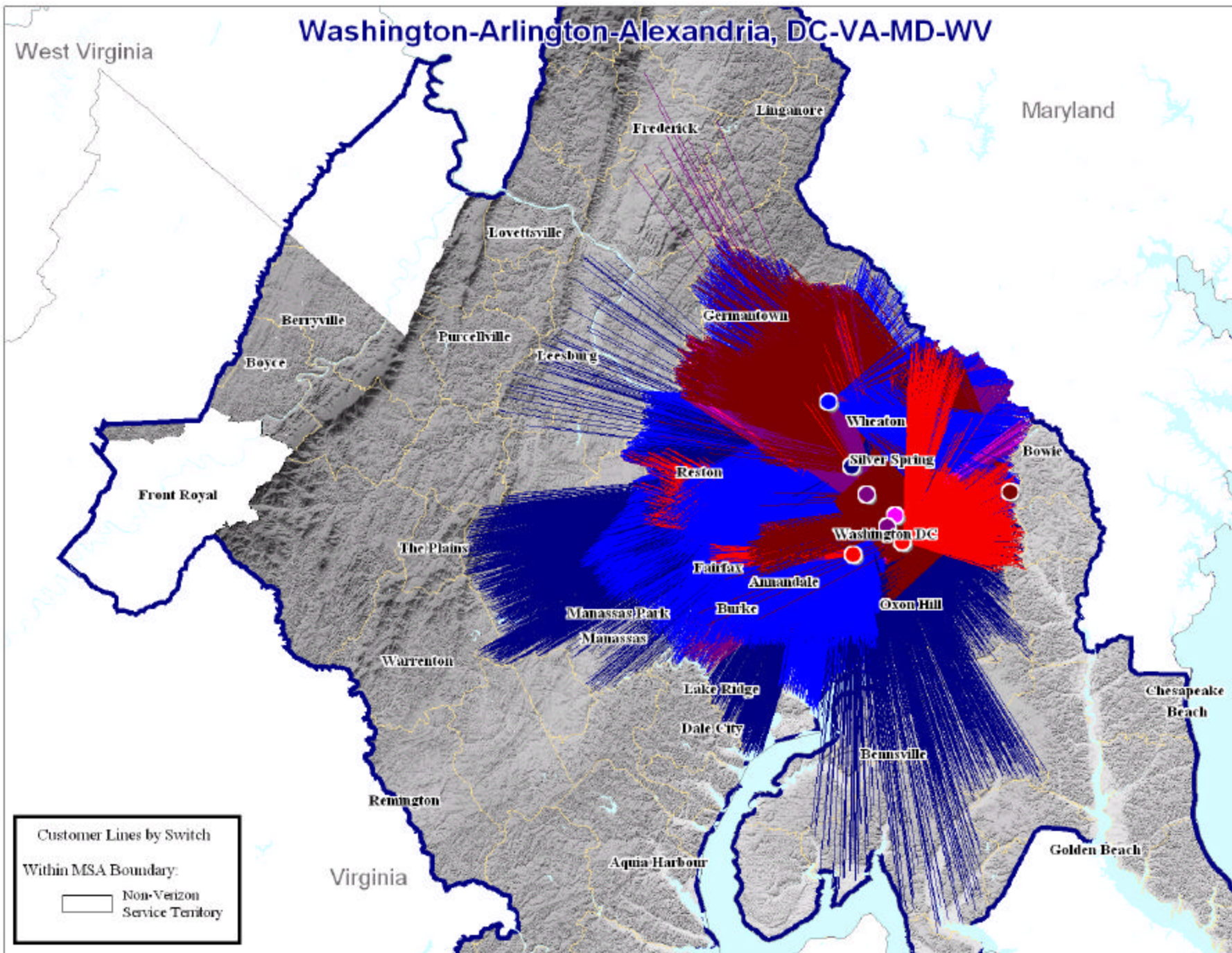




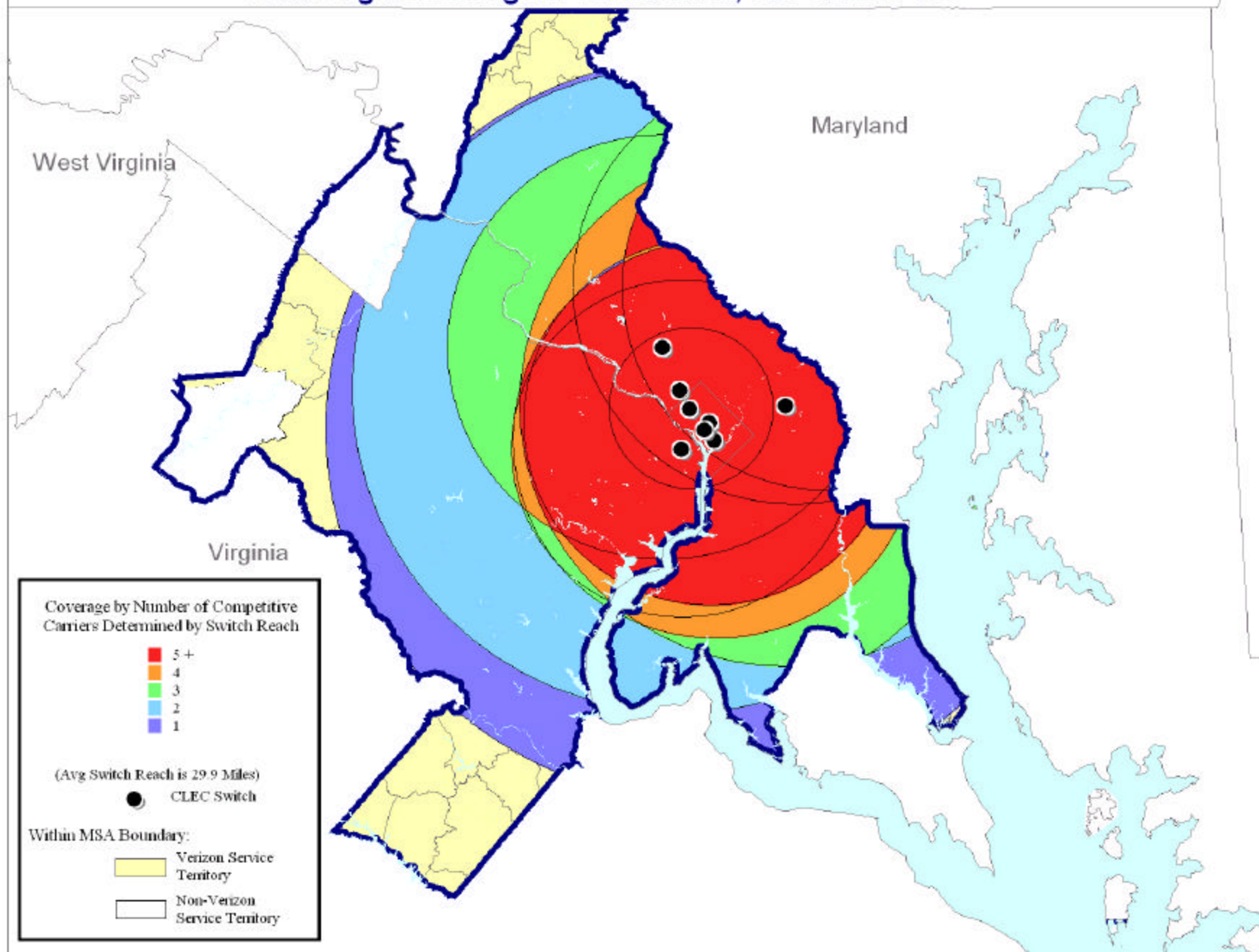
# Washington-Arlington-Alexandria, DC-VA-MD-WV

West Virginia

Maryland



# Washington-Arlington-Alexandria, DC-VA-MD-WV









## Tampa-St. Petersburg-Clearwater, FL

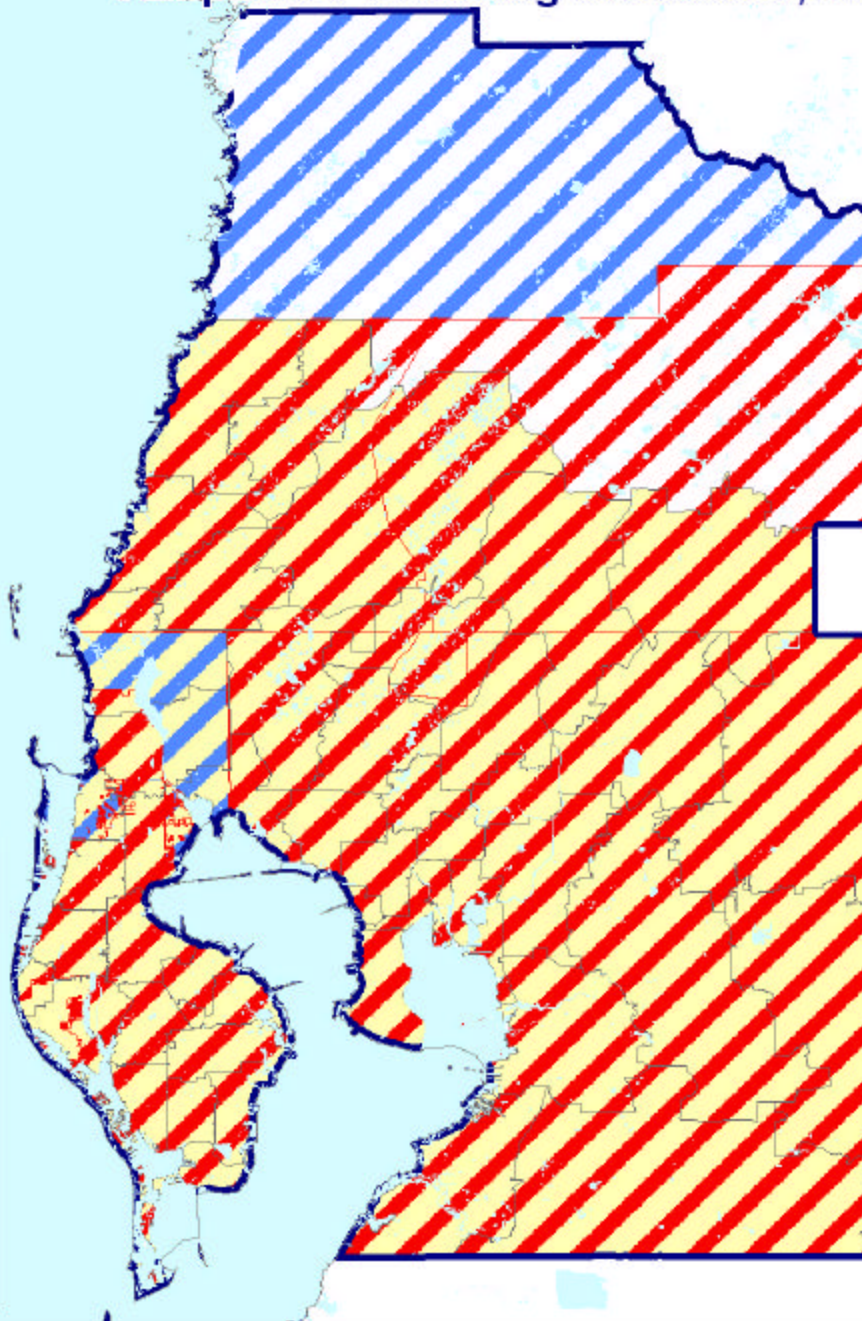
### Cable Modem Service Availability

95-100% of the population within the MSA has access to cable modem service and VoIP service

-  Time Warner Cable
-  Remaining Carriers

#### Within MSA Boundary:

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-  Non-Verizon Service Territory



## Tampa-St. Petersburg-Clearwater, FL

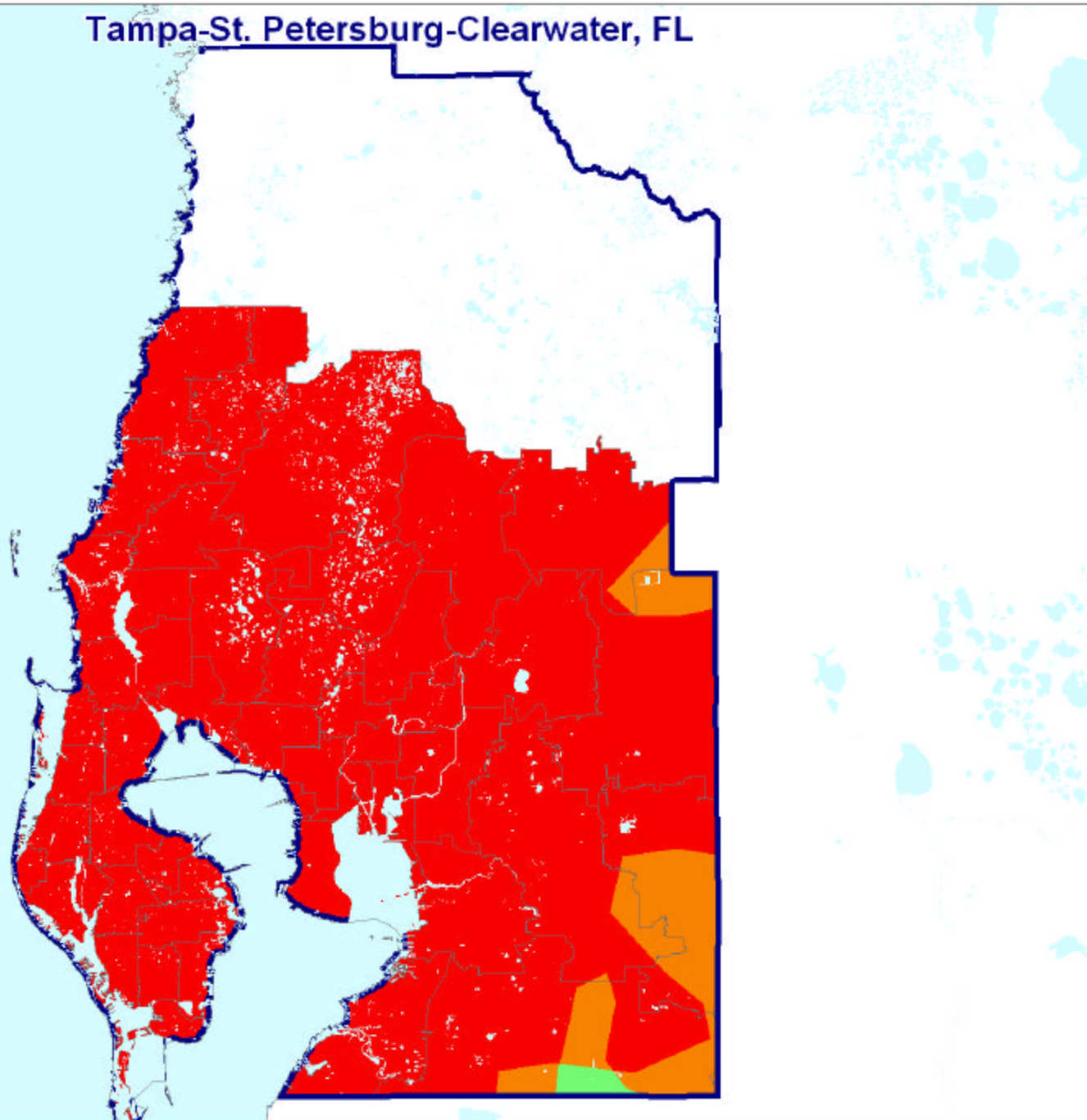
Wireless Coverage  
by Number of Carriers



Within MSA boundary:



Cingular and AT&T Wireless  
have been combined





# Tampa-St. Petersburg-Clearwater, FL

Land O' Lakes

Holiday

Town 'n'  
Country

Clearwater

Largo

Tampa

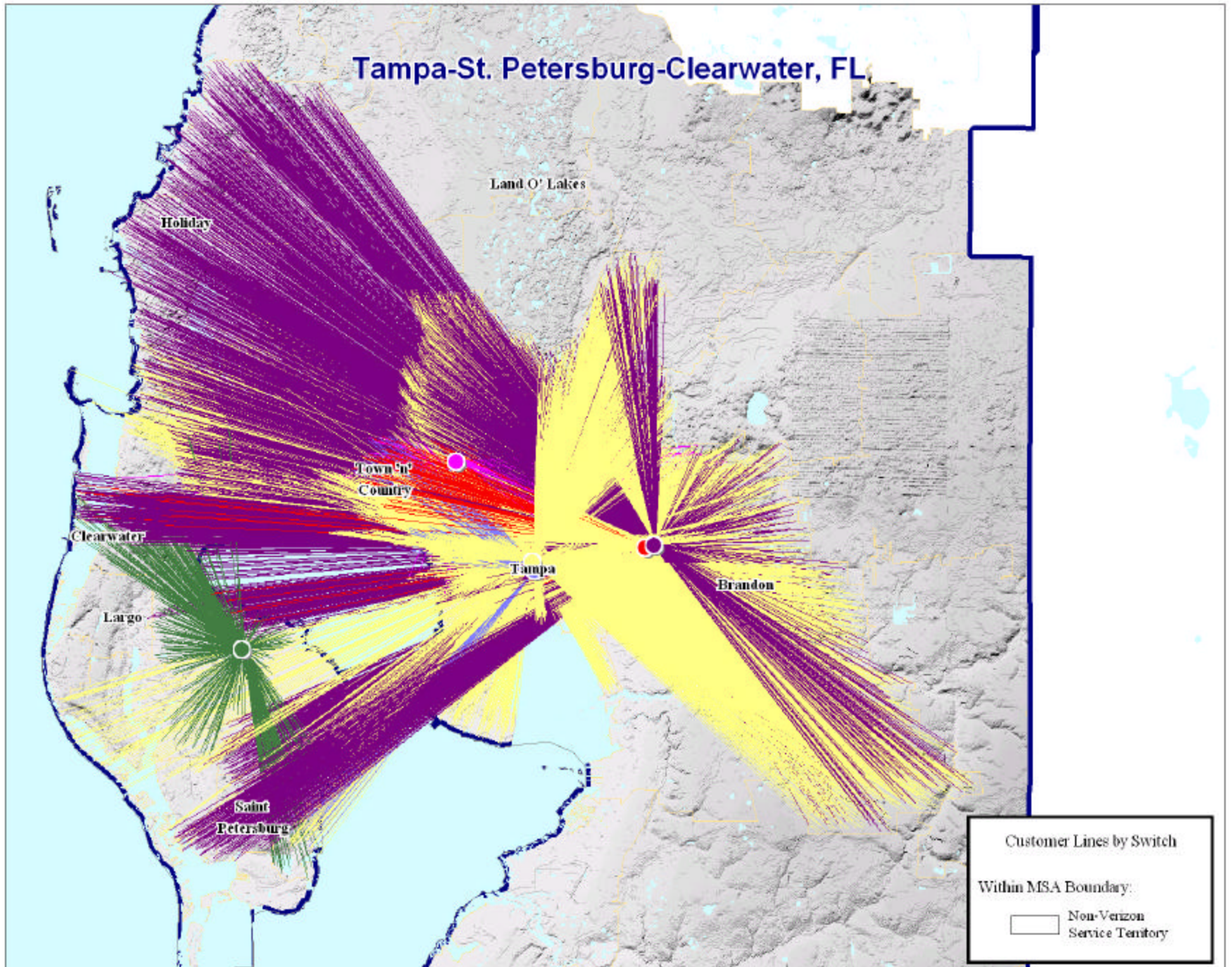
Brandon

Saint  
Petersburg

Customer Lines by Switch

Within MSA Boundary:

Non-Verizon  
Service Territory





## Tampa-St. Petersburg-Clearwater, FL

Coverage by Number of Competitive  
Carriers Determined by Switch Reach



(Avg Switch Reach is 23.4 Miles)

● CLEC Switch

Within MSA Boundary:

